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C O N F I D E N T I A L SECTION 01 OF 02 MUSCAT 000575

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DESK PASS TO DOE AND DOC THOFFMAN

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TAGS: PREL ENRG TSPL MU

SUBJECT: OMAN AND PEACEFUL NUCLEAR ENERGY

CLASSIFIED BY: L. Victor Hurtado, Charge' d' Affaires, State, Embassy Muscat; REASON: 1.4(B), (D)

- 11. (C) Summary and Comment: Oman News Agency reported June 2, that Oman and Russia signed a memorandum of understanding for cooperation in the peaceful use of nuclear energy. The MoU was signed by the Deputy Director of the Rosatom Nuclear energy State Co-operation Commission Nikolai Spassky and by Sayyid Badr bin Hamad Hamoud Al Busaidy, Oman's Secretary General of the Foreign Ministry and Head of the Guiding Committee for Peaceful Nuclear Technology. The news noted that Sayyid Badr explained that the MoU represents a framework for cooperation between Oman and Russia and it comes within the Sultanate's policy to develop necessary infrastructures for nuclear power, training of human resources and upgrading of scientific and technical skills.
- 12. (C) While the goal of the MoU tracks with Embassy's knowledge (below) of Oman's recent plans to explore nuclear energy opportunities and applications, the Omanis have never mentioned cooperation with the Russians. Omani officials have repeatedly stated that they would continue to look to the International Atomic Energy Agency (IAEA) for guidance while it was conducting its own internal feasibility and resource studies and most likely hold off on pursuing any large-scale agreements with any foreign entities. Oman has little to no capacity nuclear or human resource capacity building in this area and must partner with external organizations to see any concrete results. We believe it will seek assistance from a variety of sources. It is surprising that it entered into an agreement with a Russian entity first, since several French delegations have pressed the Sultanate for years to sign a similar agreement. End Summary and Comment.
- ¶3. (C) Econoff and other Embassy officials have had various direct and indirect conversations with Omani officials over the last few months which have shed some light on how Oman plans to proceed on nuclear energy. Perhaps the most insight came out of the recent visit by a delegation from the U.S. Civilian Research and Development Foundation (CRDF). The CRDF Delegation included Ambassador (ret.) Joseph DeThomas, Director of Nonproliferation Programs, Albert Jones, Senior Advisor to the President and Chief Executive Officer, and Camille De Walder, Senior Program Manager. The delegation's intent was to gather information and discuss potential educational/business opportunities with Oman including civilian nuclear industry and regulatory power training and building partnerships with U.S. academic community and facilitating higher education opportunities and training in science and technology.
- 14. (C) Dr. Hajj Suleiman Shareef, Chief of the Office of Peaceful Nuclear Technology at Oman's Ministry of Foreign Affairs (MFA) and Dr. Mohammed Al Busaidi arranged meetings for the visiting

delegation with a multi-agency committee at the Office of Peaceful Nuclear Technology that included Dr. Ahmed Al Rawas, Physics Department, Sultan Qaboos University; Bader Al Hinai, Research Assistant in Energy, the Research Council, and Oman's Ministry of Defense, to discuss Oman's decision to further its use of civilian nuclear applications in the medical, environmental, and oil sectors, and develop a national nuclear strategy. Dr. Shareef explained that the work of his office was not yet clearly defined for a number of reasons. First, although the Omanis have begun applying nuclear technologies in the medical and wastewater sectors, it is not clear what other sectors, if any, are also looking into nuclear applied technologies. In addition, while the Omanis recognize that they lack national expertise in nuclear technology, they are unaware of whether there are engineering or other scientific personnel that are interested or well-versed in the subject present in Oman. Dr. Shareeff remarked that Oman is also exploring nuclear energy opportunities and Oman will seek assistance from IAEA, which it joined in February, and its GCC counterparts. He noted that feasibility studies for GCC desalination and other interconnected infrastructure projects with nuclear applications were currently underway.

15. (C) Shareef noted that Oman needs to set objectives for each program and define strategies. They are also awaiting various internal studies to be completed such as the Public Authority for Water and the Electricity Regulatory Authority's Five Year Plan. He had hoped that an IAEA fact finding team would be sent in May to help set up a framework for cooperation. Shareef remarked that Oman is hoping to start the IAEA three year technical program but

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may miss the 2009 Board of Governor's approval.

- 16. (C) Development of a nuclear energy continues to be a long term goal with an eye on capabilities by 2018-2025 time frame. However, Dr. Shareef indicated that it is possible that the GCC will look towards developing power plants in centralized locations and that Oman may never have one, while Dr. Busaidi told Econoff in a closed meeting that if he had to decide today, "I would recommend the development of two power plants within Oman." Both said that Oman's first priority is to ensure that the country has its own, highly-trained and educated nuclear science and nuclear technology within academia, within industry, and within the political decision-making arena.
- ¶7. (C) Dr. Shareef and Al Busaidi said they intend to become involved with the U.S. and other countries' assistance programs and are examining all international treaties and conventions. They are not shy in seeking educational assistance and opportunities, but they expressed their concerns as to whether Omani students can compete for some of the U.S. and World's top university programs. They emphasized that Oman strictly adheres to using the term "peaceful" when looking at its options and wants to be completely transparent. It will ensure the proper safeguarding of nuclear equipment and material. As mentioned in the media, Oman's Peaceful Nuclear Technology steering committee is responsible for shaping Oman's nuclear policy.
- 18. (C) Biographical Backgrounds: Dr. Shareef is an Algerian consultant hired by Oman's Ministry of Foreign Affairs to devise a nuclear application strategy and build its Office of Peaceful Nuclear Technology. Dr. Shariff previously worked at the International Atomic Energy Agency as the Director of Program Development and Performance Assessment. He received his undergraduate degree from the University of Berkeley and his graduate degree at Michigan State. Background cont'd.

¶9. (C) Dr. Mohammed Al Busaidi most recently taught engineering at Sultan Qaboos University. As son of a former diplomat, he grew up in Falls Church, Virginia and traveled frequently. He received his Master's Degree from the Pennsylvania State University (Penn State.) To the best of our knowledge Dr. Al Busaidi has not been conferred with a title or rank by the MFA and thus is not able to make significant decisions until he is officially designated by the MFA. End Biographical Backgrounds. HURTADO